

210 Chemins de fer no 2

THE
Hon^r M^r Chabot M^r P.
PROPOSED SOUTHERN RAILWAY.

LETTER TO

THE RAILWAY COMMITTEE

BY

MESSRS. H. B. WILLSON AND JAMES ADAM,

IN FAVOR OF THE

HAMILTON ROUTE.

QUEBEC:

PRINTED AT THE OFFICE OF THE CANADA GAZETTE.

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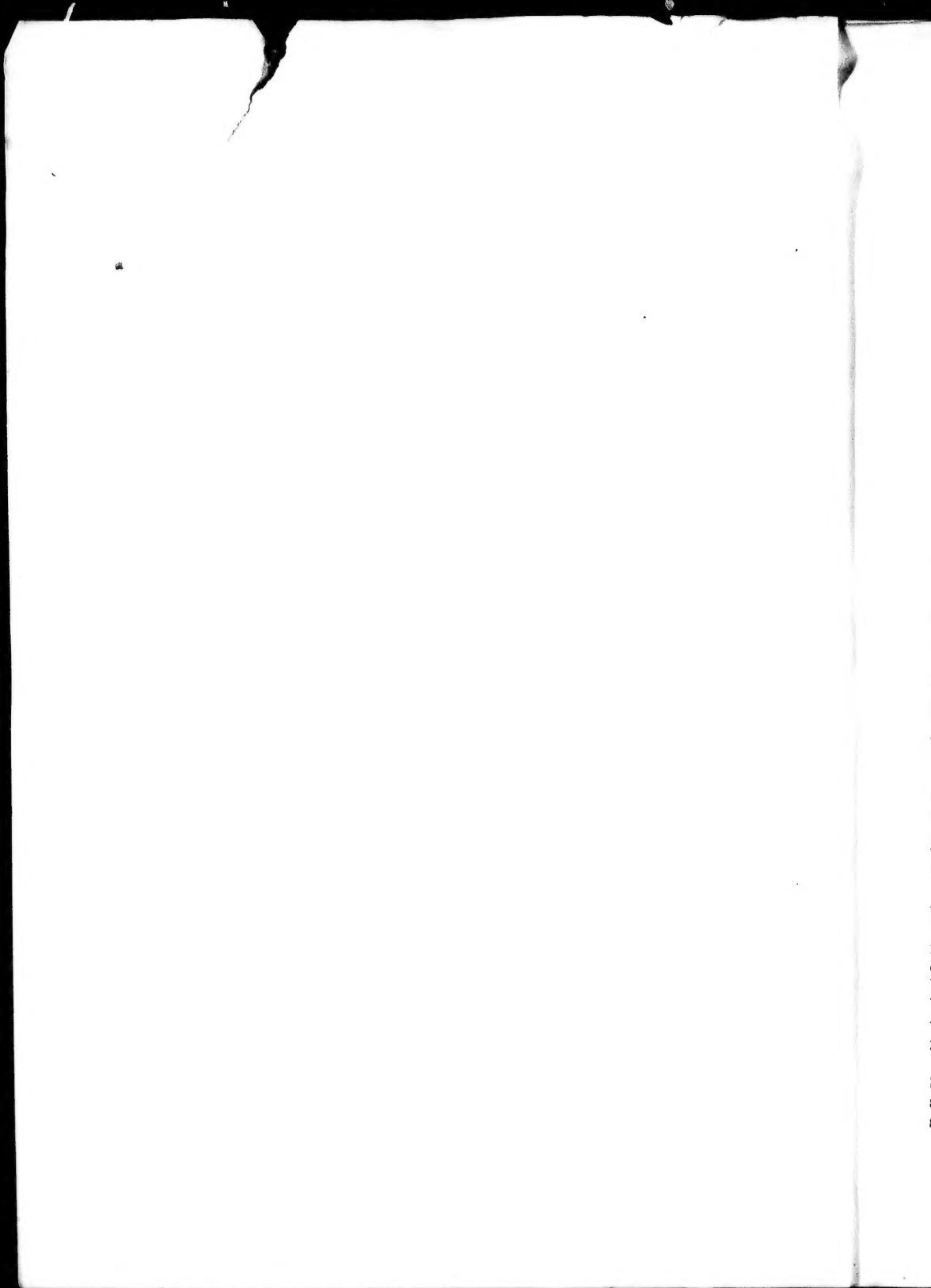
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QUEBEC, 3rd April, 1855.

To the Honorable

SIR ALLAN N. MACNAB, M. P. P.,

Chairman of the Railway Committee, &c., &c.

SIR,—Being deputed by the Petitioners for the Act to incorporate the Hamilton and South Western Railway Company (which will shortly come before the Committee on Railways) to act as the Agents of the proposed Company, we beg to explain to you the grounds upon which they claim the favorable attention of Parliament; and request that you will lay this communication before the Committee whenever the subject of a Southern Railway shall come up for consideration.

We would, in the first place, direct the attention of the Committee to the accompanying Map or Sketch of South-Western Canada, showing the route proposed to be followed by the Petitioners for the Hamilton and South-Western Charter, and also indicating the lines already opened, in progress, and in contemplation, under existing Charters. It will be seen that between the Great Western line and Lake Erie there lies an extensive tract of country, varying in width from some 17 to 45 miles. It is composed of no less than seven Counties, namely, Welland, Haldimand, Norfolk, Elgin, Kent, Essex, and Wentworth, containing in 1852 a population of about 150,000, which may now be set down, with three years increase, at 180,000. By reference to the subjoined Table, will be seen the number of acres of land, assessed value of taxable property, and population of these several Counties.

In April, 1836, a Charter was granted for the construction of a Railway, to extend from the Niagara to the Detroit River, which, according to the Survey then made, was intended to skirt the shore of Lake Erie. The reasons which deterred the commencement of this line, and the consequent expiry of the Charter, from *non user*, are so well known, that they need not be referred to. The grounds upon which the Legislature were appealed to, by the Great Western Company, which was subsequently chartered, to refuse to the Lake Erie Company, a renewal of their Act of Incorporation are of more importance and require notice.

Upon each renewed application of the parties interested, in this Southern line, they were met by the Great Western Company with the argument that being competing lines, there was not sufficient business to support both, and that consequently Capitalists would refuse to embark their

money in either; and that the Country would thus lose the advantages of a Railway altogether; and further that the Great Western, from its locality, was more national in its character, and entitled to prior consideration. Whatever force the first of these arguments may have had at the time they were urged, they can have none now that the Great Western is completed, and doing an immense business—a business that under a wise and economical management, will at once give a very handsome return upon the money invested in it.

As regards the Great Western Railway, the chief question we apprehend, for consideration, is, whether the proposed Southern line, if built, would reduce its receipts below what would prove a fair remuneration to the Shareholders. Upon this point we beg to offer a few brief observations, to show, 1st. that the local traffic of the Great Western would not be materially affected by the construction of the Southern line, and 2nd. that there will be ample way and through business to support both lines. Upon the first point it is unnecessary to say much. The distance of the Great Western Railway from the shore of Lake Erie is such, that the products for several miles interior, must find their way to market by the Lake, until another line is constructed nearer the shore. This line would therefore have a new and distinct local traffic, which the Great Western never can command.

As to the second point—

The Railway Committee will no doubt require more particular evidence on this subject before deciding to recommend the chartering of a line of road, which might act so injuriously to the interests of those who have invested largely in the Great Western, as not to afford them a fair return. This the parties desirous of securing a Southern line, will be prepared to supply when called for. It will now be sufficient to allude to the subject in general terms.

At present the foreign through traffic of the Great Western Railway is chiefly drawn from the lines, which traverse the State of New York and meet the former at its eastern terminus, the Suspension Bridge, and from the Michigan Central Railway. The through traffic constitutes about one half the gross receipts of the line. According to repeated statements made by the Detroit Newspapers, the through business has been seriously curtailed, on account of the unfinished state of the road, and the supposed danger, as well as the great uncertainty of the trains.

The average receipts of the Great Western, for the half year ending the 31st January last, were within a mere trifle of £7,500 per week, and they have since increased to over £10,000. This large increase, is stated to have been caused, in a considerable degree, by the gradual improvement in operating the line, which is restoring confidence to the minds of the American public. Under all the circumstances, there is not a doubt, but that with better management and the road more fully stocked, and with proper Warehouses erected at Windsor, Hamilton and the Suspension Bridge, the weekly receipts will, within one year, average £12,500.

Assuming the Directors' estimates to be correct, as given in their last report (in which they state that after providing for all expenses and contingencies, the net profits, arising from the average weekly receipts of £7,500, would be equal to 7 per cent on the stock) £12,500 per week, would give a net profit of fully 12 per cent to the Shareholders.

If it would not occupy too much space, we might produce conclusive statistical evidence to show that several years are always required to deve-

lope the traffic of a new line, and that even then there is a steady annual increase of business, unless diverted into other channels. According to numerous instances, that might be cited, such as most of the Western Railways, we have a right to infer, that by the time another line can be constructed and fully equipped, the Great Western through and way traffic will have doubled from present sources alone. The receipts would then, (say within four or five years,) reach a weekly average of over £15,000, and it may be questioned whether a single track line can do a larger business.

These estimates, which, we believe, are not at all exaggerated, are made wholly upon the data afforded by the sources whence the Great Western traffic is at present drawn. Up to this time, it has received no business from the Michigan Southern Railway, which has a much larger traffic than the Central Line. By the end of this year, this line will have a connection with the Canadian Road at Detroit, and will add largely to its receipts. In less than two years, another most important line for Canadian interests will be completed. This is the Detroit and Milwaukie Railway, extending from the former city, through the centre and finest part of Michigan, to Grand Haven, opposite to Milwaukie. Of this line 25 miles are already completed and running, and 30 more are to be opened about midsummer, the grading being done and the iron on the spot. Nearly the entire business of this new line may be secured to Canada, if proper facilities be provided.

Several thousand miles of new Railways have recently been opened, or are in progress, extending like great arteries, from Chicago, Milwaukie and Detroit, into the Valley of the Mississippi; all of which will contribute more or less to the shorter and better route through Canada. When all these lines shall have become fully established, and have developed their respective traffics, say five years hence, it is easily demonstrable, that even two double track Railways through Canada will be required to meet the exigencies of this vast Western business, seeking Eastern markets, to which must be added the large local traffic that will then exist. This latter, on the Great Western, for the last half year, exceeded £100,000.

Feeling assured that there will be sufficient evidence to induce Parliament to charter a second line, in order to secure to Canada the largest possible amount of this immense Western traffic, we beg to direct your attention to the several projects now before Parliament, for accomplishing this important object. In doing so we claim for the proposed "Hamilton and South-western" route, as indicated on the Map, the favorable consideration of the Committee, on the same grounds that were supposed to have induced Parliament to give a preference to the claims of the Great Western over the Niagara and Detroit Rivers route, namely, that the former would be more conducive to Provincial interests.

Of the correctness of this view, there can be no doubt. If the local interests of the southern part of Canada, would be equally well served, by any of the projects claiming charters for the southern Railway, that which would draw the largest amount of traffic upon our great provincial thoroughfares, which have cost so much money, we submit ought to have the preference. The leading policy of Government in these matters, we respectfully contend, should be, to make all private enterprises of this nature, seeking parliamentary sanction, as far as possible to subserve Provincial rather than Foreign, or merely individual interests.

It is not too much to estimate, that the Great Western Railway will this year, contribute 125,000 tons of freight to our Lake and River Shipping trade

which would have fallen into the hands of the American carriers, had the Southern Line been built in its stead. This large and profitable business will every year increase; and when the Hamilton and Toronto Railway is opened, a few months hence, the latter city will be able to compete on favorable terms, for a share of this newly developed business. The additional freight that will be brought to the basin of Lake Ontario, which by the Southern Route would have gone to Buffalo, will hereafter form a very important source of profit to the Grand Trunk Railway. We would ask, can the projectors of that work, who have induced so many people in England to embark their means (in many cases nearly their all) in it, honestly encourage the formation of enterprises intended to divert from the Province the best sources of profit to their undertaking? That a policy so suicidal to the interests of Canada, as well as so injurious to the Shareholders in the Grand Trunk Railway, is intended to be pursued, we will not believe until we have some clearer evidences of it than the *ad captandum* assertions of interested parties.

Believing that the Railway Committee will act with the view, not only of promoting Provincial interests, but also upon the higher principle of doing justice to those who took stock in our great Railways now constructing under very flattering representations, we will proceed to point out in what respects the route, indicated for the Hamilton and South-Western line, meets the designation of a Provincial undertaking.

It may here be noted that, so far as the more general interests of the Province are involved in the question, the foreign through passenger traffic is of secondary importance to the freight business, which contributes very essentially to the commerce of a country. This source of profit (arising from the carrying of through passengers) will, however, be of the utmost importance to the proposed Railway itself. The projectors of the Hamilton and South Western line do not expect, or desire, to divert this class of traffic from the most direct routes.

Referring again to the map, it will be seen that the eastern portion of the route, between the Niagara and Detroit Rivers, is already in part supplied by the Buffalo and Brantford Line; that is between Buffalo and Dunville. If the pretensions of the Erie and Ontario Railway Company, to the right to extend their line from Chippewa to Dunville, be well founded, a branch route will be opened from Dunville to the Suspension Bridge. The link, in the Main Southern Line, between Dunville and Simcoe, will be supplied by the Woodstock and Port Dover Company, who have the right to extend their road from Simcoe to the first mentioned place. At Simcoe, the Hamilton and South Western Line would take up the route westward to the Detroit River. The precise line, whether by St. Thomas or Port Stanley, or between those places, must hereafter be decided by detailed and accurate surveys.

The Bill prepared provides for merging the Hamilton and Port Dover Railway Charter into the new one. This Charter (the H. and P. D.,) was obtained at the instance of the people of Hamilton, and we believe that it is the nearly unanimous desire of the city that an amalgamation of the two interests should be effected, upon such an equitable basis as shall be agreed upon between the different parties, or as shall be dictated by the Committee, in order to secure an object of such great public importance. Upon this subject we shall have many additional arguments to offer at the proper time, should the parties, who have possessed themselves of

the control of that charter, refuse an equitable arrangement. On behalf of the petitioners for the Hamilton and South Western Railway Act, we most respectfully request, in case of such objections being raised before the Committee, that an opportunity be afforded them to give evidence of the circumstances under which the Hamilton and Dover charter is held by parties hostile to the interests of the city of Hamilton and to the construction of the line, a request so reasonable, we feel confident, will not be refused.

By the chartering of the Hamilton and South Western Railway Company, the earlier completion of the line will be secured, in consequence of the powerful aid that will be extended to it by the wealthy merchants and citizens and by the Corporation of Hamilton. A great Southern line, for the through passenger traffic between the Eastern and Western States, will thus be opened. By making the portions of the Woodstock and Erie, and the Buffalo and Brantford Railways, indicated, links in this Southern route, these lines would become good paying enterprises, and the Corporations that have subscribed so largely for their construction will be relieved from an oppressive taxation, to meet the interest on their bonds. Thus the whole of Southern Canada will be amply provided with Railway accommodation.

The most important object however, that will be accomplished, will be, the facilities afforded for the transport of freight by the best and most available channel. The Situation of Hamilton at the Head of Lake Ontario upon the finest Harbor on the Lake and the wealthy population, and commercial importance of the town itself, undoubtedly point it out, as the most natural *entrepôt* for the merchandize and products of the southern and western parts of the Province.

The Lake and River freights are the same from Hamilton as from Ports 40 or 50 miles further east, and the cost of this distance of Railway transit will be saved to the merchant and the farmer: unless the means of forcing this large and valuable traffic into the hands of foreign carriers be afforded to parties who are seeking that object, nearly the entire freight business of the south-west will reach the head of Lake Ontario, and be taken up either by the Lake Carriers, or the Grand Trunk Railway, and will contribute to the support of our public works and to the wealth of the Province.

It may be contended that these objects can be equally well secured, by the construction of the Hamilton and Port Dover Line as a separate enterprise; this we cannot admit. If an object of any kind is desired, the most certain mode of achieving it, we contend, would be to place the means in the hands of those, whose interests are identified with its attainment, rather than in the power of persons having a directly opposite interest. Such is the position of the two rival claimants for the right to build and control the Southern Railway, as contrasted with the Hamilton project. The leading agitator, for one of the former Companies, is himself an American Citizen; and the Gentleman who manages the affairs of the other, has always been the advocate of a foreign policy in reference to this line.

We cannot close this communication without noticing the circumstances under which the attempt is being made by the parties who control the Woodstock and Lake Erie Railway Charter, to procure its amendment so as to enable them through it, to control the Southern route. As we are informed and believe the Bill for effecting this object, has been smuggled into the House, under a simple notice for amendments, to their Charter or for the right to extend their line to St. Thomas. This Bill has not yet been printed, as we are informed, and consequently we have had no means of knowing the extent of the powers

asked for. We can scarcely credit the statement, that a measure affecting the interests of two hundred thousand people directly, and in which the whole Country is indirectly concerned, should have passed the Committee on Standing Orders under a notice which did not more fully specify its objects. We trust that we have been mis-informed on the subject.

The Woodstock and Lake Erie Railway Company are authorized by their Act to construct a Railway from Woodstock to Port Dover, and have the right to extend their line from the latter place, or from Simcoe, to Dunville. It is now, as we understand, proposed to have their Act so amended as to enable them to extend their line in an opposite direction, something like 150 miles, upon a route never contemplated at the time of the passage of the original Act. Upon a short line, of less than 40 miles, it is thus sought to tack, for purely personal objects, another line 150 miles long, wholly disconnected with, and forming an acute angle to their main line, and this attempt is made, too, without any public notice having been given of the real intention of the parties.

If Parliament, acting in ignorance of these facts, should be induced to grant the amendment asked for, these parties propose to complete a Southern line of Railway, from the Detroit River to the Falls of Niagara (where the chief mover in the scheme owns a large property) by means of the right claimed by the Erie and Ontario Railway Company to carry their road from that point to Dunville. This will appear by reference to the map, as exhibited in the Railway Committee Room. Both the Erie and Ontario and Woodstock lines are controlled by the same parties, and both run in wrong directions to command a paying business. Hence extraordinary efforts are made to tack these two small, but unprofitable entreprizes, upon one of greater magnitude, which promises to be a better investment.

There is one important consideration which we omitted to allude to in the proper place, to which we desire to draw the attention of the Committee, and which you will be able to substantiate.

It is the fact that Hamilton and Toronto are, in point of time, nearer, for heavy merchandize and the chief products of the soil, (which during navigation are transported by water) to the Eastern markets, by four days at least, than Buffalo or Dunville. We conceive that no stronger argument can be adduced in favor of these Ports becoming the best on the Lake, for carrying on the commerce of the Western and Southern parts of the Province.

We feel assured that the Committee on Railways, in view of the facts we have stated, will afford to those whom we represent and to the citizens of Hamilton, and others interested, a fair opportunity of laying before them such further evidence as the importance of the subject demands, before making their Report to the Legislative Assembly.

In conclusion we beg to subscribe ourselves,

Your very obedient servants,

H. B. WILLSON,
J. ADAM

P. S.—Since writing the above we have learned, that the mode by which the Woodstock and Lake Erie Company propose to effect their object, for procuring a Southern Line of Railway, is by obtaining the power to extend their Line Eastward from Dunville to the Falls of Niagara and Westward

from Simcoe to St. Thomas. From St. Thomas to the Detroit River a new Company is proposed to be chartered, of which notice is said to have been given. As the object aimed at, and the principle involved are precisely the same, we do not deem it necessary to alter the text of the letter.

H. B. W.

J. A.

T A B L E

SHewing the Area of the following Counties, the Population thereof in 1852, together with the Assessed Value of Property therein in 1854.

Names of Counties.	Number of Acres.	Population in 1852.	Assessed Value of Population in 1854.
Welland	228,000	20,141	£2,064,156
Haldimand	293,594	18,788	1,305,167
Norfolk	383,200	21,280	1,238,859
Elgin	427,403	25,418	1,494,036
Kent	557,000	17,469	582,947
Essex	433,300	16,817	534,554
Wentworth, exclusive of Hamilton	265,223	28,507	1,757,478
	2,587,720	148,420	£8,977,197